SPECIFIC TREATMENT PROCESSES WITHIN

COBB, CITY

AERATED LAGOON(S)

COLFAX, VILLAGE

FILL AND DRAW

STABILIZATION POND(S)

COLOMA, VILLAGE

STABILIZATION POND(S)

CONSOLIDATED KOSHKONONG SANITARY DISTRICT

AERATED LAGOON(S)

COON VALLEY, VILLAGE

OTHER

CRANDON, CITY

STABILIZATION POND(S)

CRYSTAL LAKE SANITARY DISTRICT NO. 1

AERATED LAGOON(S)

FILL AND DRAW

**CURTISS, VILLAGE** 

AERATED LAGOON(S)

FILL AND DRAW
POLISHING POND
Solids Settling Basin

STABILIZATION POND(S)

**CUSHING SANITARY DISTRICT** 

FILL AND DRAW

STABILIZATION POND(S)

DALE SANITARY DISTRICT NO. 1

AERATED LAGOON(S)

POLISHING POND

DALLAS, VILLAGE

AERATED LAGOON(S)

DEER PARK, VILLAGE

AERATED LAGOON(S)

DODGE SANITARY DISTRICT NO. 1

STABILIZATION POND(S)

DORCHESTER, VILLAGE

AERATED LAGOON(S)

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#### SPECIFIC TREATMENT PROCESSES WITHIN

DRUMMOND SANITARY DISTRICT NO. 1

FILL AND DRAW

STABILIZATION POND(S)

EMBARRASS, VILLAGE

FILL AND DRAW

STABILIZATION POND(S)

EMERALD/GLENWOOD SANITARY DISTRICT NO. 1

STABILIZATION POND(S)

EVANSVILLE, CITY

AERATED LAGOON(S)

Solids Settling Basin

FAIRCHILD, VILLAGE

**FILL AND DRAW** 

FAIRWATER, VILLAGE

FILL AND DRAW

POLISHING POND

STABILIZATION POND(S)

FENWOOD, VILLAGE

**FILL AND DRAW** 

FERRYVILLE, VILLAGE

AERATED LAGOON(S)

FIFIELD SANITARY DISTRICT

FILL AND DRAW

STABILIZATION POND(S)

FLAMBEAU CORRECTIONAL CENTER

STABILIZATION POND(S)

FLORENCE UTILITY COMMISSION

AERATED LAGOON(S)

FONTANA/WALWORTH WATER POLLUTION CON

OTHER

FOREST JUNCTION SANITARY DISTRICT

FILL AND DRAW

STABILIZATION POND(S)

FORESTVILLE, VILLAGE

AERATED LAGOON(S)

#### SPECIFIC TREATMENT PROCESSES WITHIN

FOX LAKE WASTEWATER CONTROL COMMISSION

AERATED LAGOON(S)

FRANCIS CREEK, VILLAGE

FILL AND DRAW

STABILIZATION POND(S)

FREMONT ORIHULA WOLF RIVER JOINT SEW. COMM.

AERATED LAGOON(S)

STABILIZATION POND(S)

FRIESLAND, VILLAGE

STABILIZATION POND(S)

GALESVILLE, CITY

AERATED LAGOON(S)

GIBBSVILLE SANITARY DISTRICT

AERATED LAGOON(S)

GILLETT, CITY

AERATED LAGOON(S)

GILMAN, VILLAGE

AERATED LAGOON(S)

GLEN FLORA, VILLAGE

Solids Settling Basin

GLENWOOD CITY, CITY

AERATED LAGOON(S)

OTHER

GLIDDEN SANITARY DISTRICT

STABILIZATION POND(S)

GOETZ ASSOCIATES TRUCKSTOP, INC.

AERATED LAGOON(S)

POLISHING POND

GRAND VIEW SANITARY DISTRICT NO. 1

AERATED LAGOON(S)

GRANTON, VILLAGE

AERATED LAGOON(S)

FILL AND DRAW

GRANTSBURG, VILLAGE

AERATED LAGOON(S)

SPECIFIC TREATMENT PROCESSES WITHIN

GREEN LAKE SANITARY DISTRICT

AERATED LAGOON(S)

GRESHAM, VILLAGE

AERATED LAGOON(S)

HAMMOND, VILLAGE

AERATED LAGOON(S)

POLISHING POND

HATFIELD SANITARY DISTRICT NO. 1

FILL AND DRAW

STABILIZATION POND(S)

HAUGEN, VILLAGE

AERATED LAGOON(S)

**FILL AND DRAW** 

HAWKINS, VILLAGE

AERATED LAGOON(S)

STABILIZATION POND(S)

HAYWARD, CITY

AERATED LAGOON(S)

HILLPOINT SANITARY DISTRICT

FILL AND DRAW

HIXTON, VILLAGE

STABILIZATION POND(S)

HOLLANDALE, VILLAGE

AERATED LAGOON(S)

HUB-ROCK SANITARY DISTRICT NO. 1

AERATED LAGOON(S)

HUSTISFORD, VILLAGE

AERATED LAGOON(S)

STABILIZATION POND(S)

HUSTLER, VILLAGE

FILL AND DRAW

IRON RIDGE, VILLAGE

AERATED LAGOON(S)

IRON RIVER SANITARY DISTRICT NO. 1

FILL AND DRAW

STABILIZATION POND(S)

#### SPECIFIC TREATMENT PROCESSES WITHIN

JAMESTOWN SANITARY DISTRICT NO. 3

STABILIZATION POND(S)

JUDA SANITARY DISTRICT NO. 1

STABILIZATION POND(S)

KEKOSKEE, VILLAGE

AERATED LAGOON(S)

POLISHING POND

KELLNERSVILLE, VILLAGE

STABILIZATION POND(S)

KINGSTON, VILLAGE

AERATED LAGOON(S)

STABILIZATION POND(S)

KNIGHT SANITARY DISTRICT

STABILIZATION POND(S)

KRAKOW SANITARY DISTRICT

POLISHING POND

L E PHILLIPS SCOUT RESERVATION

STABILIZATION POND(S)

LA VALLE, VILLAGE

STABILIZATION POND(S)

LACROSSE MOBILE HOMES BROOKVIEW

OTHER

POLISHING POND

LADYSMITH, CITY

**AERATED LAGOON(S)** 

LAKE HOLCOMBE SANITARY DISTRICT NO. 1

OTHER

STABILIZATION POND(S)

LAKE NEBAGAMON, VILLAGE

FILL AND DRAW

STABILIZATION POND(S)

LAKE WAPOGASSET-BEAR TRAP LAKE SANITARY DISTRICT

AERATED LAGOON(S)

LAKELAND COLLEGE

POLISHING POND

#### SPECIFIC TREATMENT PROCESSES WITHIN

LAKELAND SANITARY DISTRICT NO. 1 (BARRON CO.)

STABILIZATION POND(S)

LAONA SANITARY DISTRICT NO. 1

AERATED LAGOON(S)

LARSEN-WINCHESTER SANITARY DISTRICT

FILL AND DRAW

STABILIZATION POND(S)

LEBANON SANITARY DISTRICT NO. 1

STABILIZATION POND(S)

LIBERTY SANITARY DISTRICT NO. 1

AERATED LAGOON(S)

LITTLE SUAMICO SANITARY DISTRICT NO. 1

FILL AND DRAW

POLISHING POND

STABILIZATION POND(S)

LOGANVILLE, VILLAGE

STABILIZATION POND(S)

LONE ROCK, VILLAGE

AERATED LAGOON(S)

POLISHING POND

LOWELL, VILLAGE

STABILIZATION POND(S)

LOYAL, CITY

AERATED LAGOON(S)

LUBLIN, VILLAGE

STABILIZATION POND(S)

LUCK, VILLAGE

AERATED LAGOON(S)

MADELINE ISLAND SANITARY DISTRICT

AERATED LAGOON(S)

MADISON METROPOLITAN SEWERAGE DISTRICT

OTHER

MAIDEN ROCK, VILLAGE

AERATED LAGOON(S)

FILL AND DRAW

#### SPECIFIC TREATMENT PROCESSES WITHIN

MAPLE LANE HEALTH CARE FACILITY

STABILIZATION POND(S)

MAPLE SCHOOL DISTRICT

Solids Settling Basin

STABILIZATION POND(S)

MATTOON, VILLAGE

STABILIZATION POND(S)

MAUSTON, CITY

AERATED LAGOON(S)

MELLEN, CITY

AERATED LAGOON(S)

MELROSE, VILLAGE

AERATED LAGOON(S)

MERRILLAN, VILLAGE

AERATED LAGOON(S)

MILAN SANITARY DISTRICT

AERATED LAGOON(S)

MILLTOWN, VILLAGE

AERATED LAGOON(S)

MILWAUKEE METROPOLITAN SEWERAGE DISTRICT

OTHER

MINDORO SANITARY DISTRICT NO. 1

AERATED LAGOON(S)

FILL AND DRAW

MINERAL POINT, CITY

**POLISHING POND** 

MINONG, VILLAGE

AERATED LAGOON(S)

MISHICOT, VILLAGE

AERATED LAGOON(S)

OTHER

**POLISHING POND** 

MONTREAL, CITY

AERATED LAGOON(S)

SPECIFIC TREATMENT PROCESSES WITHIN

MUSCODA, VILLAGE

AERATED LAGOON(S)

Solids Settling Basin

NEW AUBURN, VILLAGE

AERATED LAGOON(S)

NORTH BEND SANITARY DISTRICT NO. 1

STABILIZATION POND(S)

NORTH FREEDOM, VILLAGE

STABILIZATION POND(S)

NORTH LAKE POYGAN SANITARY DISTRICT

POLISHING POND

O'DELLS BAY SANITARY DISTRICT NO. 1

AERATED LAGOON(S)

OGEMA SANITARY DISTRICT

FILL AND DRAW

OXFORD, VILLAGE

STABILIZATION POND(S)

PALMYRA, VILLAGE

AERATED LAGOON(S)

Solids Settling Basin

PARDEEVILLE, VILLAGE

AERATED LAGOON(S)

POLISHING POND

STABILIZATION POND(S)

PARK FALLS, CITY

AERATED LAGOON(S)

PHELPS SANITARY DISTRICT NO. 1

AERATED LAGOON(S)

PIKES BAY SANITARY DISTRICT

AERATED LAGOON(S)

PLAINFIELD, VILLAGE

FILL AND DRAW

PLYMOUTH SANITARY DISTRICT NO. 1

STABILIZATION POND(S)

#### SPECIFIC TREATMENT PROCESSES WITHIN

POPLAR, VILLAGE

AERATED LAGOON(S)

POLISHING POND

PORT WING SANITARY DISTRICT

FILL AND DRAW

STABILIZATION POND(S)

POYGAN POYSIPPI SANITARY DISTRICT NO. 1

AERATED LAGOON(S)

PRAIRIE FARM, VILLAGE

POLISHING POND

PRINCETON, CITY

AERATED LAGOON(S)

**POLISHING POND** 

REESEVILLE, VILLAGE

AERATED LAGOON(S)

RICHMOND SANITARY DISTRICT NO. 1 (STAR PRAIRIE)

STABILIZATION POND(S)

RIDGELAND, VILLAGE

FILL AND DRAW

STABILIZATION POND(S)

RIO, VILLAGE

AERATED LAGOON(S)

ROCK SPRINGS, VILLAGE

STABILIZATION POND(S)

**ROCKLAND SANITARY DISTRICT NO. 1** 

STABILIZATION POND(S)

ROSHOLT, VILLAGE

AERATED LAGOON(S)

ROZELLVILLE SANITARY DISTRICT NO. 1

FILL AND DRAW

STABILIZATION POND(S)

RUDOLPH, VILLAGE

AERATED LAGOON(S)

#### SPECIFIC TREATMENT PROCESSES WITHIN

SAINT CLOUD, VILLAGE

AERATED LAGOON(S)
FILL AND DRAW

POLISHING POND

SAND CREEK SANITARY DISTRICT NO. 1

STABILIZATION POND(S)

SANGER B POWERS

**POLISHING POND** 

STABILIZATION POND(S)

SAUK CO. HEALTH CARE CENTER

AERATED LAGOON(S)

FILL AND DRAW POLISHING POND

SAUK-PRAIRIE SEWERAGE COMMISSION

AERATED LAGOON(S)

POLISHING POND

SAXON SANITARY DISTRICT NO. 1

FILL AND DRAW

STABILIZATION POND(S)

SCANDINAVIA, VILLAGE

STABILIZATION POND(S)

SCHOOL DISTRICT OF SUPERIOR

FILL AND DRAW

STABILIZATION POND(S)

SEVASTOPOL SANITARY DISTRICT NO. 1

STABILIZATION POND(S)

SEXTONVILLE SANITARY DISTRICT NO. 1

STABILIZATION POND(S)

SHELL LAKE, CITY

AERATED LAGOON(S)

SHERWOOD, VILLAGE

POLISHING POND

SIREN, VILLAGE

AERATED LAGOON(S)

SOLON SPRINGS, VILLAGE

FILL AND DRAW

STABILIZATION POND(S)

Monday, November 10, 2003

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#### SPECIFIC TREATMENT PROCESSES WITHIN

SPOONER, CITY

AERATED LAGOON(S)

ST. BEDES MONASTERY

FILL AND DRAW

ST. CROIX MEADOWS MOBILE HOME PARK

AERATED LAGOON(S)
FILL AND DRAW

POLISHING POND

STAR PRAIRIE, VILLAGE

STABILIZATION POND(S)

STETSONVILLE, VILLAGE

AERATED LAGOON(S)

STODDARD, VILLAGE

AERATED LAGOON(S)

STONE LAKE SANITARY DISTRICT

STABILIZATION POND(S)

SUPERIOR, VILLAGE

STABILIZATION POND(S)

TAYLOR, VILLAGE

FILL AND DRAW

STABILIZATION POND(S)

TELEMARK RESORT

POLISHING POND

THORP, CITY

AERATED LAGOON(S)

FILL AND DRAW

TONY, VILLAGE

STABILIZATION POND(S)

TURTLE LAKE, VILLAGE

AERATED LAGOON(S)

FILL AND DRAW

UNITY, VILLAGE

AERATED LAGOON(S)

UPPER MIDWEST ENVIRONMENTAL SCIENCES CENTER

POLISHING POND

STABILIZATION POND(S)

#### SPECIFIC TREATMENT PROCESSES WITHIN

VESPER, VILLAGE

AERATED LAGOON(S)

VIOLA, VILLAGE

AERATED LAGOON(S)

WABENO SANITARY DISTRICT NO. 1

AERATED LAGOON(S)

WARRENS, VILLAGE

STABILIZATION POND(S)

WAUMANDEE SANITARY DISTRICT NO. 1

FILL AND DRAW

POLISHING POND

STABILIZATION POND(S)

WEBSTER, VILLAGE

STABILIZATION POND(S)

WESTBORO SANITARY DISTRICT NO. 1

Solids Settling Basin

WEYERHAUESER, VILLAGE

STABILIZATION POND(S)

WHEELER, VILLAGE

AERATED LAGOON(S)

WHITE LAKE, VILLAGE

STABILIZATION POND(S)

WI AIR NATIONAL GUARD

AERATED LAGOON(S)

WI DNR LONG LAKE RECREATION AREA

STABILIZATION POND(S)

WI DNR PATTISON STATE PARK

Solids Settling Basin

WILD ROSE, VILLAGE

AERATED LAGOON(S)

WILSON, VILLAGE

AERATED LAGOON(S)

FILL AND DRAW

WILTON, VILLAGE

AERATED LAGOON(S)

POLISHING POND

SPECIFIC TREATMENT PROCESSES WITHIN

WINTER, VILLAGE

STABILIZATION POND(S)

WITTENBERG, VILLAGE

AERATED LAGOON(S)

WOODVILLE, VILLAGE

AERATED LAGOON(S)

FILL AND DRAW POLISHING POND

STABILIZATION POND(S)

WRIGHTSTOWN SANITARY DISTRICT NO. 2

AERATED LAGOON(S)

FILL AND DRAW

STABILIZATION POND(S)

WYOCENA, VILLAGE

AERATED LAGOON(S)

Total Number of 226

### ORDER OF THE STATE OF WISCONSIN NATURAL RESOURCES BOARD REPEALING, AMENDING, RENUMBERING, REPEALING AND RECREATING, AND CREATING RULES

The State of Wisconsin Natural Resources Board proposes an order to repeal NR 45.12(1)(c)2 and 45.13(1)(d); to renumber NR 45.12(1)(b)6m, 7 and 8; to amend NR 45.03(15), 45.04(2)(c), (3)(n) and (p), 45.05(4), 45.06(1), (6)(a), 45.09(4), 45.10(1)(k) and (n), 45.11(6)(g), 45.12(1)(a), (d)8 and 22, (2)(b)1, (c)1a, b, and c, 3a, b, and c, and (d), (3)(b) and (c), (4)(a), (e), (f), (f)2, and (h), 45.13(2), (17)(a)1, 2, and 3, (b)2 and 3, and (18); to repeal and recreate NR 45.04(3)(f) and 45.12(2)(a)1 and 2; and to create NR 45.03(2m), (9f), (9m), (18m) and (26), 45.04(1)(f), 45.10(4)(aa), 45.12(1)(b)5n-zb, 6 q to v, (d)50 to 53, (2)(b)4, (4)(k), 45.13(2)(e), (2m), (24), (25) and (26) relating to use regulations on Department properties.

#### LF-19-03

#### Analysis Prepared by Department of Natural Resources

Authorizing statutes: ss. 23.09(2)(intro.), 23.11(1), 23.28(3), 27.01(2)(j) and 227.11(2)(a), Stats.

Statutes interpreted: ss. 23.09(2)(intro.), 23.28(3), 27.01(2) (i) and (j), and 28.04(2), Stats.

Chapter NR 45 contains the administrative rules for the use of Department properties. This chapter is reviewed and revisions proposed by Department staff every two years.

The new Peshtigo River state forest has been added to the definition of "northern state forests."

The rule package contains five new definitions for the following terms: "backpack campsite," "registered camper," "water view campsite," "equine," and "dog sled."

The rule prohibiting the transplanting, relocation, stocking, or release of any plant or animal within the boundaries of any state natural area will now apply to all state property.

The "section" reference in the closing hours provision in the general rules section has been changed to "subsection" to reflect that the closing hours subsection, and not the entire general rules section, does not apply if different closing hours are posted. Additionally, a prohibition for being on department property after closing hours established pursuant to this change has been added.

A new rule has been created to prohibit commercial filming, commercial photography, or provisions of services for a fee in state parks, state recreation areas, or southern forests that involves the provider's physical presence in the state park, state recreation area, or southern forest unless first authorized by contractual agreement or a department commercial use permit. The price of the commercial use permit is established in the Fees section of NR 45.

The current rule prohibiting the planting or cultivation of crops on department lands has been amended to reflect that the harvesting of crops on department land without department permission is also prohibited.

The prohibition of possession of drug paraphernalia has been clarified.

The name "Bong state recreation area" has been changed to "Richard Bong state recreation area" in a number of places throughout NR 45.

The term "horse" has been replaced with "equine" to broaden the range of animals regulated on department lands.

An amendment is being proposed to clarify which parks have access restricted to hunters who have been issued a special permit and to also allow access to hunters who are only issued bonus antierless permits.

The Menominee River natural resources area has been added to the list of properties where camping permits are not required and camping fees are waived.

The Chippewa Flowage has been added to the list of properties where campers must occupy the site the first night camping equipment is on the site and not leave the site unoccupied for more than one night thereafter.

A rule has been created to specify that only nonprofit organizations recognized by the Internal Revenue Service under 26 USC 501(c)(1), (3) or (4) are allowed to use the indoor group camp at Big Bay state park and that this camp may be reserved for a maximum of 3 camper days.

Fifteen parking areas have been added to the list of parking areas in the northern unit of the Kettle Moraine state forest where vehicle admission fees are required.

Six parking areas have been added to the list of parking areas in the southern unit of the Kettle Moraine state forest where vehicle admission fees are required.

The reference to "Pike Lake state park" has been changed to "Pike Lake unit, Kettle Moraine state forest" to reflect that it is now a separate unit of the forest.

Four state parks have been added to the list of state parks, recreation areas, and forest recreation areas where vehicle admission receipts are required.

The list of type A and type B campgrounds has been revised. Type A campgrounds include those in all state parks, southern forests, and recreation areas, and on state trails, as well as the Crystal Lake, Musky Lake, Firefly Lake, and Clear Lake campgrounds in the Northern Highland-American Legion state forest and Castle Mound campground in the Black River state forest. All northern forest campgrounds, with the exception of those mentioned above, are type B campgrounds.

A new rule has been created that stipulates that additional fees for water view campsites on type A and type B campgrounds may be charged but not to exceed \$5.00 per night.

Fees are increased for items such as trail passes, group camping, and electrical services at campgrounds.

Fee specifications for the Kettle Moraine state forest northern unit group camp have been eliminated because the camp has been leased to the YMCA and is no longer a forest group camp.

The rule that waives camping fees for persons with disabilities is being amended to make the reservation process easier.

The provision that state trails and trails on other department lands on which state trail passes are required may be designated by the department by markers or signs has been changed so that these trails shall be designated by markers or signs, making this designation mandatory if fees are to be charged.

A provision that visitors will pay an additional \$5.00 registration fee if they fail to self-register or pay at the park office of an area subject to a self-registration requirement has been added.

Oakfield Ledge has been added to the list of state natural areas outlined in NR 45.13(2), and a rule has been created to prohibit any person from entering or being in Oakfield Ledge state natural area between the hours of 8:00 p.m. and 6:00 a.m., except as provided for in NR 45.04(2)(a)2.

A rule has been created to prohibit the catching, killing, trapping, or removal of any wild animal from state parks, recreation areas, and southern forests without written permission from the department, with five specific exceptions.

The specification of department lands designated by posted notice at the Lapham Peak unit of the Kettle Moraine state forest on which hunting, taking, catching, killing, trapping, or pursuing wild animals or possessing loaded or unstrung and unenclosed firearms or projectile-shooting devices is prohibited has been changed from specific sections, townships, and ranges to "within the Lapham Peak Unit-Kettle Moraine state forest."

The list of state forest areas designated as vehicle admission areas has been renumbered after the Kettle Moraine state forest-southern unit to clarify that the Lapham Peak unit of the Kettle Moraine state forest is not part of the southern unit.

The rule package contains three rule changes pertaining to Aztalan state park. One removes the park from the list of areas where vehicle admission receipts are not required; one adds the park to the list of areas where vehicle admission receipts are required; and the last prohibits sledding, skiing, and snowboarding on the Indian mounds at Aztalan state park.

A rule has been created to prohibit small game hunting within the boundaries of the Tuscobia state recreation trail, as consistent with the master plan.

Finally, a rule has been created to prohibit the operation of dog sleds on state lands in Big Bay State Park without the written permission of the property manager.

SECTION 1. NR 45.03(2m), (9f) and (9m) are created to read:

NR 45.03(2m) "Backpack campsite" means an area designated for camping that has no modern facilities, such as showers or flush toilets located nearby, nor vehicle or watercraft access to or near the area, and to which all over-night supplies are carried or transported to the site by means other than a motorized vehicle.

(9f) "Dog sled" means any vehicle that glides on runners or wheels and is designed or used for conveying cargo or people and to be pulled by dogs.

(9m) "Equine" means any horse, pony, donkey or hinny.

SECTION 2. NR 45.03(15) is amended to read:

NR 45.03(15) "Northern state forests" means the Black River, Brule River, Flambeau River, Governor Knowles, Northern Highland and, American Legion and Peshtigo River state forests.

SECTION 3. NR 45.03(18m) and (26) are created to read:

NR 45.03(18m) "Registered camper" means a person camping on a campsite whose name is included on the camping permit for that campsite.

(26) "Water view campsite" means a designated campsite in a state park or southern forest bordering on a body of water or with a scenic view of a body of water.

SECTION 4. NR 45.04(1)(f) is created to read:

NR 45.04(1)(f) No person may transplant, relocate, stock or release any plant or animal, domesticated or wild, without written permission from the department.

SECTION 5. NR 45.04(2)(c) is amended to read:

NR 45.04(2)(c) This section does The closing hours of this subsection do not apply to individuals with written authorization from the department or to those projects or parts of projects where the department has posted other opening and closing hours or where the department has waived these hours and established different hours for special events and programs. No person may enter or be within a department property contrary to closing hours established pursuant to this subsection.

SECTION 6. NR 45.04(3)(f) is repealed and recreated to read:

NR 45.04(3)(f) Soliciting. 1. No person may solicit or collect funds or peddle or solicit business of any nature, post signs or distribute handbills or advertising matter unless first authorized by contractual agreement or a department commercial use permit.

Note: Commercial use permits are available at any state park or southern forest office.

2. In addition to the requirements of subd 1,, in the state parks, state recreation areas and southern forests, no person may engage in commercial filming or photography or provide services for a fee that involves the provider's physical presence in the state park, state recreation area or southern forest unless first authorized by contractual agreement or a department commercial use permit.

3. No person may use in any manner the dock, pier, wharf, boat landing or mooring facilities in, or on, the waters in or immediately adjacent to any lands under the management, supervision or control of the department for the purpose of soliciting rides of any kind, unless authorized by the department.

4. This paragraph does not apply to the provision of emergency repair service or tour buses originating outside of department lands.

SECTION 7. NR 45.04(3)(n) and (p) are amended to read:

NR 45.04(3)(n) Crops. Except when authorized by the department, no person may plant, excultivate or harvest any crop on lands subject to this chapter.

(p) Possession of drug paraphernalia. No person may use or possess drug paraphernalia as defined in violation of s. 961.573(1), Stats.

SECTION 8. NR 45.05(4) is amended to read:

NR 45.05(4) AIRCRAFT. No person may land or launch any aircraft on the water or ice of Devil's lake in Devil's Lake state park, Sauk county; all waters in Governor Dodge state park, lowa county, and Willow River state park, St. Croix county; Crystal lake in the Northern Highland state forest, Vilas county; Lake of the Dalles in Interstate park, Polk county; Mauthe lake in the Kettle Moraine state forest, Fond du Lac county; Lake Seven in the Kettle Moraine state forest, Sheboygan county; Ottawa lake in the Kettle Moraine state forest, Waukesha county; Interfalls lake in Pattison state park, Douglas county; Yellowstone lake in Yellowstone Lake state park, Lafayette county, and on all waters and lands, except model aircraft and hang gliders, in the Richard Bong state recreation area, Kenosha county.

SECTION 9. NR 45.06(1) is amended to read:

NR 45.06 Animals. (1) No person may allow a dog, cat or other pet in any building or on any swimming beach, or on any Great Lakes shoreline zone as posted, picnic area, playground, fish hatchery ground, or Paradise Springs area southern unit Kettle Moraine state forest. Dogs, cats and other pets shall be kept on a leash not more than 8 feet long and under control at all times in all other state park areas, headquarters areas, ranger stations, campgrounds, state natural areas, on posted trails and posted use areas in state forests and the intensive use zone within the Richard Bong state recreation area. No person may allow his or her dog, cat or other pet to interfere in any manner with the enjoyment of the area by others.

SECTION 10. NR 45.06(6)(a) is amended to read:

NR 45.06(6)(a) No person may ride, lead or fail to prevent a herse any equine animal from being on any beach, posted or marked hiking trail, nature trail, picnic area or non-equine campground or contrary to posted notice on the northern state forests or the Turtle-Flambeau scenic waters area.

SECTION 11. NR 45.09(4) is amended to read:

NR 45.09(4) Nothing in this section shall prohibit the hunting of deer as provided in s. 29.621 (4), Stats., in accordance with the open seasons established by s. NR 10.27, except that for those projects listed in s. NR 10.27 (1) and, (2), (6) and (8), hunting is limited to persons holding a permit for the project issued pursuant to second sec

SECTION 12. NR 45.10(1)(k) and (n) are amended to read:

NR 45.10(1)(k) Camping permits are not required and payment of camping fees are is waived when camping on state-owned islands in the Mississippi river or state-owned islands or sandbars in the Lower Wisconsin state riverway, on other state-owned islands outside state forest boundaries when the island is posted open to camping, designated campsites on the Willow flowage and designated watercraft campsites in the northern state forests, Turtle-Flambeau scenic waters area er, Chippewa flowage or Menominee River natural resources area.

(n) When camping at designated campsites at the Willow flowage or designated watercraft and island campsites at the Turtle-Flambeau scenic waters area or Chippewa flowage, the campsite shall be occupied by the camping party on the first night camping equipment occupies the site, and the campsite may not be left unoccupied by the camping party for more than one night thereafter.

SECTION 13. NR 45.10(4)(am) is created to read:

NR 45.10(4)(am) The indoor group camp at Big Bay shall be utilized only by nonprofit organizations recognized by the internal revenue service under 26 USC 501(c)(1), (3) or (4) and may be reserved only for a maximum of 3 camper days.

SECTION 14. NR 45.11(6)(g) is amended to read:

NR 45.11(6)(g) Vern Wolf lake within Richard Bong state recreation area, sections 15, 16, 21 and 22, T2N, R20E, town of Brighton, Kenosha county.

SECTION 15. NR 45.12(1)(a) is amended to read:

NR 45.12(1)(a) No person may operate or park any motor vehicle or trailer or semitrailer in the Richard Bong state recreation area, in the Point Beach state forest, in developed recreational areas in other state forests as designated in par. (b), in designated use zones within recreation areas established under s. 23.091 (3), Stats., or in any state park or roadside park except those designated in par. (c) and those specified in s. 27.01 (7)(c), Stats., unless the vehicle displays a vehicle admission receipt in the manner specified by the department on the receipt or at the place of purchase.

SECTION 16. NR 45.12(1)(b)5.n. to zb. are created to read:

NR 45.12(1)(b) 5.n. Highway P Ice Age Trail parking area

- o. Shelter 5 parking area
- p. Highway S Bridle Trail parking area
- q. Highway U Dog Training parking area
- r. Greenbush Kettle parking area
- s. Kellings Lake Dog Training parking area
- t. Crooked Lake boat access area parking
- u. Auburn Lake boat access area parking
- v. Lake Seven boat access area parking
- w. Little Mud Lake picnic parking area
- x. Spruce Lake Bog parking area
- y. Highway H Ice Age Trail parking area
- z. Youth Camp Road Bridle Trail parking area
- za. Highway 67 Bridle Trail parking area
- zb. Forest Lake access

SECTION 17. NR 45.12(1)(b)6.q. to v. are created to read:

#### NR 45.12(1)(b)6.q. Highway 67 wayside

- r. Eagle Dog Trial Grounds
- s. Stute Springs nature trail parking area
- t. Blackhawk (Hwy 12) parking area
- u. Lone Tree Bluff nature trail parking area
- v. Bald Bluff nature trail parking area

SECTION 18. NR 45.12(1)(b)6m, 7. and 8. are renumbered to read NR 45.12(1)(b) 7. to 9.

SECTION 19. NR 45.12(1)(c)2 is repealed.

SECTION 20. NR 45.12(1)(d)8. and 22. are amended to read:

NR 45.12(1)(d)8. Richard Bong state recreation area

22. Pike Lake state park Unit Kettle Moraine state forest

SECTION 21. NR 45.12(1)(d)50. to 53. are created to read:

NR 45.12(1)(d)50. Capital Springs Centennial state park and recreation area 51. Governor Tommy G. Thompson Centennial state park

52. Mill Bluff state park53. Aztalan state park

SECTION 22. NR 45.12(2)(a)1. and 2. are repealed and recreated to read:

NR 45.12(2)(a)1. Campgrounds in state parks, southern forests, and recreation areas, and on state trails, as well as the Crystal Lake, Musky Lake, Firefly Lake, and Clear Lake campgrounds in the Northern Highland-American Legion state forest, and Castle Mound campground in the Black River state forest, are Type "A" campgrounds.

2. All northern forest campgrounds, except for the Crystal Lake, Musky Lake, Firefly Lake, and Clear Lake campgrounds in the Northern Highland-American Legion state forest and the Castle Mound campground in the Black River state forest, are Type "B" campgrounds.

SECTION 23. NR 45.12(2)(b)1. is amended to read:

NR 45.12(2)(b)1. Electricity . . . . . . \$3.00 \$5.00 per unit per night

SECTION 24. NR 45.12(2)(b)4. is created to read:

NR 45.12(2)(b)4. Additional camping fees may be charged for waterview campsites not to exceed \$5.00 per night for type A and B campgrounds.

SECTION 25. NR 45.12(2)(c)1. a. to c. and 3. a. and b. are amended to read:

10 YRS SINCE

LAST INCREASE

TRAILS ALL

3. a. Big Bay group camp, and Black River state forest and Point Beach state forest. . . . . \$2.00 \$3.00 per person per day . . . . \$30.00 \$40.00 minimum per group per day.

SEL

b. Kettle Meraine state ferest northern unit group camp and Wyalusing group camp . . . . . \$4.00 per person per day . . . . . . \$200.00 minimum per group per day.

SECTION 26. NR 45.12(2)(c)3.c. is created to read:

NR 45.12(2)(c)3.c. Point Beach state forest . . . . \$5.00 per person per day . . . . \$60.00 minimum per group per day.

SECTION 27. NR 45.12(2)(d) is amended to read:

NR 45.12(2)(d) All reservation, family and outdoor group camping fees are waived for persons with disabilities and their personal care attendants brought by a nonprofit organization recognized by the internal revenue service under 26 USC 501 (c) (1), (3) or (4) whose primary purpose is the improvement of the mental or physical health of the individual. Applications on department forms for the fee waiver shall be received by the property for which the fee waiver is sought along with proof of nonprofit status at least 7 days prior to arrival. The nonprofit organization shall apply to the department on the required forms for a department identification number prior to arrival at the property for which the fee waiver is

sought. Memorial Day through Labor Day, fee waiver approvals may only be granted for Sunday through Thursday nights, and only with a prior camping reservation.

Note: The required forms may be obtained from the Bureau of Parks and Recreation at 101 S. Webster Street, Box 7921, Madison, WI 53707-7921.

SECTION 28. NR 45.12(3)(b) and (c) are amended to read:

NR 45.12(3)(b) State trails and trails on other department lands on which admission cards are required may shall be designated by the department with markers or signs.

- (c) The following admission fees for state trails designated pursuant to par. (b) include tax:
- 1. Annual . . . . . . . . \$10.00\$15.00
- 2. Daily . . . . . . . . . . . . \$3.00\$4.00

SECTION 29. NR 45.12(4)(a)1. and 2., (e), (f)(title) and 2. and (h) are amended to read:

NR 45.12(4)(a) Blue Mound state park swimming pool

- (e) Rock Island state park overnight boat mooring fee . . . . . \$.60\$1.00 per foot of length per night
- (f)(title) Richard Bong state recreation area.
- (f)2. 'Hunting zone.' A vehicle admission sticker, hunting and trapping license as well as hunting and trapping administrative fees are required for hunting and trapping in the <u>Richard</u> Bong state recreation area.
- (h) Visitors using areas posted subject to self-registration requirement for either vehicle admission stickers, trail passes, mooring fees or camping fees shall pay an additional \$5.00 registration fee if they fail to self-register or pay at the park office.

SECTION 30. NR 45.12(4)(k) is created to read:

NR 45.12(4)(k) The fee for a commercial use permit shall be \$30.00 per year, in addition to any applicable admission fee.

SECTION 31. NR 45.13(1)(d) is repealed.

SECTION 32. NR 45.13(2)(title) is amended to read:

NR 45.13(2) PARFREY'S GLEN, NATURAL BRIDGE, ROCHE-A-CRI MOUND, PEWIT'S NEST AND OAKFIELD LEDGE STATE NATURAL AREAS.

SECTION 33. NR 45.13(2)(e) is created to read:

NR 45.13(2)(e) No person may enter or be in Oakfield Ledge state natural area between the hours of 8:00 p.m. and 6:00 a.m. except as provided for in s. NR 45.04(2)(a)2.

#### SECTION 34. NR 45.13(2m) is created to read:

- NR 45.13(2m) STATE PARKS, RECREATION AREAS AND SOUTHERN FOREST AREAS. Within the boundaries of state parks, state recreation areas and southern forests, no person may take, pursue, catch, kill, trap or remove any wild animal without written permission from the department except as follows:
  - (a) Fishing in accordance with ch. NR 20.
  - (b) Hunting in accordance with ch. NR 10 and s. NR 45.09.
  - (c) Killing of biting or nuisance insects.
  - (d) Harvest of crayfish in accordance with s. NR 19.26.
- (e) Trapping on southern forests or state recreation areas in accordance with ch NR.10 and this chapter.
- (f) Arthropods collected for purposes of study as part of participation in a department sponsored naturalist or educational program. All collected animals shall be released on the property from which obtained and may not be removed from the property.

SECTION 35. NR 45.13(17)(title),(a) 1. to 3., (b) 2. and 3., and (18) are amended to read:

- NR 45.13(17)(title) RICHARD BONG STATE RECREATION AREA. (a) Definition. "Richard Bong state recreation area" means that portion of township 2 north, range 20 east, town of Brighton, Kenosha county posted with department markers or signs.
- 1. 'Hunting zone.' All that portion of the Richard Bong state recreation area except that portion described in subd. 3.
- 2. 'Special use zone.' All that portion of the <u>Richard Bong state</u> recreation area lying south of state highway 142 posted with department markers or signs.
- 3. 'Intensive use zone.' All that portion of the Richard Bong state recreation area posted with department markers or signs.
- **(b)2.** Reservations shall be submitted on department forms and will be accepted no more than one year and not less than 10 days in advance of the requested date. The forms are available at the Richard Bong state recreation area headquarters.
  - 3. Reservations may be made at the Richard Bong headquarters in person or by mail.
- (18) KETTLE MORAINE STATE FOREST, LAPHAM PEAK. No person may take, catch, kill, hunt, trap or pursue any wild animal, or discharge any firearm or have in possession or under control any firearm or air gun as defined in s. 939.22, Stats., unless it is unloaded and enclosed within a carrying case, or any bow, slingshot or spring-loaded device designed for shooting a projectile unless the same is unstrung or enclosed within a carrying case while on any department lands designated by posted notice in sections 29, 30, and 32, T7N, P18E, town of Delafield, Waukesha County within the Lapham Peak Unit-Kettle Moraine state forest.

SECTION 36. NR 45.13(24) to (26) are created to read:

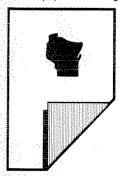
- NR 45.13(24) AZTALAN STATE PARK. Sledding, skiing and snowboarding are prohibited on the Indian mounds at Aztalan state park.
- (25) TUSCOBIA STATE RECREATION TRAIL. Except for deer hunting in accordance with ch. NR 10, no person may hunt any wild animal or discharge any firearm, air gun, bow, slingshot or spring-loaded device designed for shooting a projectile within the boundaries of the Tuscobia state recreation trail.
- (26) BIG BAY STATE PARK. No person may operate a dog sled on state lands in Big Bay state park unless authorized in writing by the property manager.

SECTION 37. EFFECTIVE DATE. Sections 1. to 21. and 27. to 36. shall take effect the first day of the month following publication in the Wisconsin administrative register as provided in s. 227.22(2)(intro.), Stats. Sections 22. to 26. shall take effect on the first day of the third month following publication as provided in s. 227.22(2)(b), Stats.

SECTION 38. BOARD ADOPTION. The Resources Board on	nis rule was approved and adopted by the State of Wisconsin Natura
Dated at Madison, Wiscons	in
	STATE OF WISCONSIN DEPARTMENT OF NATURAL RESOURCES
(SEAL)	ByScott Hassett, Secretary

#### WISCONSIN PAPER COUNCIL

250 N. GREEN BAY ROAD P.O. BOX 718 NEENAH, WI 54957-0718 PHONE: 920-722-1500 FAX: 920-722-7541 www.wipapercouncil.org



August 13, 2003

MEMORANDUM TO: Senate Committee or

Senate Committee on Environment and

Natural Resources

Assembly Committee on Natural Resources

FROM:

.⊭dward J. Wilusz

Director, Government Relations

SUBJECT:

NR 446 - Control of Mercury Air Emissions

Clearinghouse Rule 01-081 makes significant revisions to NR 446 relating to the control of mercury air emissions. The final rule would require a 40% reduction in mercury emissions from major utilities by 2010 and an 80% reduction by 2015.

The Wisconsin Paper Council does not oppose NR 446. Removal of the industrial emissions cap was very positive and addressed our major concern. However, another significant concern is the likely increase in energy costs that would result from mercury controls on the major utilities. Our assessment, using information currently available, indicates that costs for the first phase of NR 446 could be incurred regardless of NR 446 due to forthcoming federal requirements such as the utility boiler MACT and/or legislation like the Clear Skies initiative. The impacts of the second phase of NR 446 are less clear and we strongly urge that the state-federal reconciliation requirements in the rule be strengthened. Finally, we are committed to working with the Department and others on a voluntary energy efficiency initiative aimed at reducing mercury emissions, both directly and indirectly. The following discussion expands on these issues.

As an initial matter, we have always questioned the benefits of a state-only mercury reduction rule. Mercury air deposition is a global phenomenon. Local actions are expensive and will likely have little, if any, direct benefit on aquatic resources in Wisconsin. The state would do well to wait for national action that could address emissions on a much broader scale, such as the federal utility MACT or Clear Skies legislation.

NR 446 – Control of Mercury Air Emissions August 13, 2003 Page 2

Removal of the emissions cap on industrial and small utility sources was entirely appropriate. Industrial boilers are already proposed to be regulated for mercury under the federal industrial and commercial boiler MACT. A cap on industrial sources would effectively limit economic growth at affected facilities or drive these facilities to convert to natural gas, a very costly and potentially unreliable option. Industrial boilers are much smaller than major utility boilers and operate in fundamentally different ways – controls, if needed to meet a cap, are untested on these sources and would be extremely expensive. A voluntary energy efficiency initiative, in cooperation with the DNR, is a much better alternative that provides a potential win-win situation.

Costs associated with the rule are a significant concern. The paper industry is facing serious global competitive challenges. Reducing costs is the top priority of the industry. It is very important that the state not take actions that would increase the cost of doing business in Wisconsin compared to other states and countries.

Mercury emission controls for utility sources will be costly. Using the same methodology used by the Department to estimate costs, we estimate that the first phase of the rule could cost the paper industry \$3.1-3.6 million annually and the second phase could cost our members \$10-12 million annually. These are significant cost increases. However, in assessing the potential cost impacts of NR 446, we must consider the likely impacts from federal regulation that will be incurred regardless of NR 446.

Based on the information that is available, we anticipate that the federal utility MACT, scheduled for proposal by EPA this fall and promulgation in 2004, could require mercury reductions from major utilities that are in the same range as those proposed in NR 446. Assuming no significant delays due to legal challenges, the federal mercury control requirements could be similar to or slightly more stringent than the requirements in phase one of NR 446. As a result, cost increases associated with phase one of NR 446 could be incurred under federal regulation, regardless of NR 446. Federal mercury control regulations may or may not be as stringent as phase two of NR 446. As a result, the potential cost increases under phase two compared to federal regulation are much less clear.

To address potential cost concerns associated with NR 446, the state-federal reconciliation requirements should be strengthened. As drafted, the rule requires DNR staff to report on new federal mercury control regulations or laws, and how to reconcile any federal action with NR 446, within six months of the federal action. (Note – Webster defines "reconcile" to mean "settle, resolve <differences>" and "make consistent, congruous".)

NR 446 – Control of Mercury Air Emissions August 13, 2003 Page 3

However, the staff report may include other, unspecified recommendations instead of code changes. Also, the Natural Resources Board may choose to not make code changes, even if code changes are recommended by staff. We strongly urge that the language in NR 446.12(2) & (3) be strengthened to clearly require that NR 446 be reconciled with federal regulations or laws. This will assure consistency with other states and prevent Wisconsin from becoming a higher cost regulatory island. As long as there is consistency, Wisconsin companies will be on a level playing-field with companies in other states — at least relating to energy costs associated with mercury controls.

We hope you find these comments useful. Please contact us with any questions.

SS

cc: Secretary Scott Hassett, Department of Natural Resources Lloyd Eagan, Department of Natural Resources



#### State of Wisconsin \ DEPARTMENT OF NATURAL RESOURCES

Jim Doyle, Governor Scott Hassett, Secretary 101 S. Webster St. Box 7921 Madison, Wisconsin 53707-7921 Telephone 608-266-2621 FAX 608-267-3579 TTY 608-267-6897

July 7, 2004

Mr. Brian Rude Director, External Relations Dairyland Power Cooperative 3200 East Avenue South PO Box 817 La Crosse WI, 54602-0817 DAIRYLAND A Touchstone Energy® Cooperative Cooperative Cooperative

Brian D. Rude Director, External Relations

3200 East Avenue South, P.O. Box 817 La Crosse, WI 54602-0817 608/787-1320 or 608/788-4000 e-mail: bdr@dairynet.com web s

FAX 608/787-1281 web site: www.dairynet.com

Dear Mr. Rude

I understand Dairyland Power's concern about one of the modifications approved by the Natural Resources Board to the NR 446 rules for controlling mercury emissions. Apparently, it relates to what the Department means by the term "facility" in section NR 446.06(5), Wis. Adm. Code, which allows the exemption of a facility emitting 25 pounds or less of mercury annually.

For the specific purpose of developing s. NR 446.06(5) and the 25 pound facility threshold for exemption, the Department considered Alma units 1, 2, 3, 4, 5 and JP Madget as two separate generating plants or facilities. Therefore, for implementation of this rule and specifically s. NR 446.06(5), Alma units 1, 2, 3, 4, & 5 are to be considered as one facility and the JP Madget plant as one facility. However, it should be noted that since Alma units 1, 2, & 3 are each less than 25 megawatts, only the mercury emissions from Alma units 4 and 5 would be counted toward the 25-pound threshold. Based on the department's information, Alma units 4 and 5 would likely be exempt under s. NR 446.06(5) from mercury emission limitations for major utilities.

I hope that this clarifies the intent of the rule provision in the short term and we intend to develop program guidance as we begin to implement NR 446 rules in Wisconsin. Please contact me at 608-266-0603 if you have any questions.

Sincerely,

Lloyd Eagan, Director Bureau of Air Management

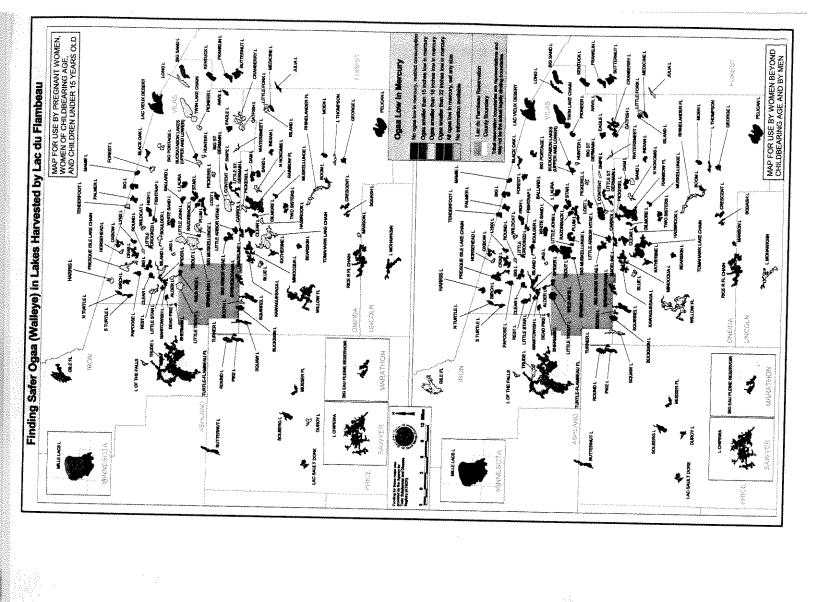
cc:

Al Shea – AD/5

Tom Steidl – LC/5
Mary Carter, LaCrosse Service Center

Representative DuWayne Johnsrud, Room 323 North, State Capitol

Senator Neal Kedzie, Room 313 South, State Capitol



For many native people gigoonh (fish) are part of a traditional diet and, as such, provide beauth benefits. So if you rely on gigoonh as part of your normal diet, try to achieve a balance. Continue to eat the same amount of gigoonh but reduce the amount of mercury you or your family become exposed to by choosing safer gigoonh.



Choose a Map. Are you making ogaa consumption choices for pregnant women, women of childhearing age, breast feeding mothers, or children under 15 years

use by pregnant women, women of childbearing age Use the map titled "Map for and children under 15 years EXES.

Use the map titled "Map for childbearing age and by men". by women ENO.

2. Locate a lake. Compare its color to the map's color key and carefully consider the advice.



# Ogaa Consumption Advice

Do not eat ogaa greater than 15 inches. Top Map:

Restrict consumption of ogaa loss than 15 inches. Bottom Map. Only eat 1 meal per month of any size ogaa. Est ogas smaller than 15 inches in your normal way, and restrict consumption (see below) of ogas greater than 15 inches.

Est ogaa smaller than 18 inches in your normal way, and restrict consumption (see below) of ogaa greater than 18 inches.

restrict consumption (see below) of ogua greater than 22 inches. Est ogga smaller than 22 inches in your normal way, and

Est any size ogaz in your normal way.

No information available.

Top Map - eat no more than one meal of these larger sized ogaa but then this should be the only meal of ogaa you eat in a month. Restrict Consumption of Ogaa Advice.

Bottom Map - eat no more than one meal of these larger sized ogua per month in combination with the ogaz you normally would eit, or eat no more than 2 means per month, but then these should be the only 2 means of ogaz you eat in a month.

# LABELING OGAA PRIOR TO FREEZING

When saving ogaa for later, mark or label freezer bags so you know which ogaa are safe for consumption by pregnant women, women of childbearing age, breast feeding mothers, and children under 15 years old. For example, you could write on the freezer bag "safe for mom and kids".

# GENERAL ADVICE FOR FINDING SAFER GIIGOONH

Use these maps to find lakes and sizes of ogno that are lower

+

in methyl mercury.

Lakes with lower levels of methyl mercury in the ogaa should also have lower levels of methyl mercury in other types of

Type of gitgoonth

Generally, top predator gitgoonth such as ogoc, muskellunge, insperoouth beas, smallmouth base, and northern pike will have more methyl mercury than gitgoonth such as lake whitefish, herring, bluegill, sunfish, crappic or perch.

Size (Leugth)

Eat smaller gigoonh, they will likely have lower amounts of methyl mercury.

# RISKS (-) VS BENEFITS (+) OF EATING GIIGOONH

mental development and vision of babies. Lake Superior whitefish and herring contain these Nutrients in fish, especially oily fish, may improve the

at risk because their nervous systems are rapidly developing. Children exposed to unsafe levels while in the womb have been found to experience delayed development in walking and talking, even though the Remember, mercury can damage the nervous system especially the brain. Fetuses and babies are the most beneficial nutrients and are low in methyl mercury. mother was not affected Eating as few as two to three meals of gigoonh a month may greatly reduce your risk of death due to heart disease.

+



July 9, 2003

Neil Kedzie Chairman of the Senate Natural Resource Committeee

Dear Mr.Kcdzie

I am writing this letter on behalf of our local commercial fishermen. As the executive director of Rogers Street Fishing Village Museum, it is critical that our local fisherman be allowed to fish. It is so important to our tourism that people who come to learn of our proud history of over 165 years of commercial fishing be able to see the working fish tugs out in the harbor, sec the seagulls follow the boats into their docks, and be able to eat their catch at our local restaurants.

To witness living history is so much better than displaying the "extinct" dinosaurs of a "previous" way of life.

The recent budges cuts have hurt us both in tourism and in regard to our resources at the Wisconsin State Historical Society. Prohibiting whitefish fishing and thereby hurting the commercial fishing industry would further undermine our museum resources.

I am not against sports fishing. Indeed, sports fisherman neighbor our property. But I do ask for some equity for the commercial fishermen. I believe our commercial fishermen are not out of line in their position and that the Lake is big enough for both parties.

Thank you for your consideration.

Sincerely,

Sandra J. Zipperer

Executive Director

Could you please make Copies and deliver this letter to all other members of the Serate fearure Committee.

Please Call. 970-794-8434

If gourgewed this

fap. 2 Land You

Sete Loclair

P.O. Box 7882 Madison, WI 53707-7882 (608) 266-2056



P.O. Box 8952 Madison, WI 53708-8952 (608) 264-8486

### JOINT COMMITTEE FOR REVIEW OF ADMINISTRATIVE RULES

July 22, 2004

The Honorable Alan Lasee Senate President State Capitol Building, Room 220 South Madison, WI 53702

The Honorable John Gard Assembly Speaker State Capitol Building, Room 211 West Madison, WI 53702

Dear President Lasee and Speaker Gard:

The Joint Committee for the Review of Administrative Rules met in Executive Session on July 21, 2004 and adopted the following motions:

Emergency Rule NR 1. 016, 1.05, 1.06, and 1.07

Relating to Natural Resources Board policies on protection and management of public waters.

1. That, the Joint Committee for Review of Administrative Rules, pursuant to ss. 227.19 (4) (d) 1., 3., and 6. and 227.26 (2) (d), Stats., suspends s. NR 1.016.

Motion Carried 9 Ayes, 1 Noes

2. That, the Joint Committee for Review of Administrative Rules modifies its June 24, 2004 motion relating to emergency rule ch. NR 1 by: (a) removing s. NR 1.016 for separate consideration and (b) providing that the suspension of emergency rule ch. NR 1, except for the provisions of s. NR 1.016, will take effect on August 20, 2004.

Motion Carried 10 Ayes, 0 Noes

ATCP 99.13, 99.25, 100.13, and 101.25

Relating to Agricultural Producer Security - Assessment Credits.

That, pursuant to s. 227.24(2)(a), <u>Stats.</u>, the Joint Committee for Review of Administrative Rules extends ATCP 99.13, et. al. at the request of Department of Agriculture, Trade and Consumer Protection by 36 days. Motion Carried 10 Ayes, 0 Noes

LRB 4611 & 4626

Relating to the placement of riprap, biological shore erosion control structures, seawalls, piers, wharves, boat shelters, boat hoists, boat lifts and swim rafts in navigable waters and the effective date for the issuance of individual permits for activities in navigable waters.

That, pursuant to s. 227.19(5)(e), <u>Stats.</u>, the Joint Committee for Review of Administrative Rules introduces LRB 4611 and 4626.

Motion Carried

9 Ayes, 1 Noes

Pursuant to s. 227.24(2)(c), <u>stats.</u>, as treated by 1997 Wisconsin Act 185, please forward a copy of this notice to the chairperson of the standing committee in your respective house most likely to have jurisdiction over the Clearinghouse Rule corresponding to this emergency rule.

Sincerely,

Senator Joseph Leibham Senate Co-Chair

JKL:GSG:mjd

Representative Glenn Grothman

Assembly Co-Chair

#### \*\* AMENDED NOTICE\*\* **JOINT**

Sen. Kedzie 313 South

#### COMMITTEE HEARINGS

#### Joint Committee for Review of Administrative Rules

The Joint Committee for Review of Administrative Rules will hold a PUBLIC HEARING and may hold an EXECUTIVE SESSION on the following items at the time specified below:

> Wednesday, July 21, 2004 Room 225 NW 11:00 AM State Capitol - Madison, Wisconsin

ATCP 99.13, 99.25, 100.13, and 101.25

Relating to Agricultural Producer Security -Assessment Credits. The Department of Agriculture, Trade and Consumer Protection requests an extension of the effective period of their emergency rule by 36 days. Second Consideration.

For Executive Action only:

LRB 4611 & 4626

Relating to the placement of riprap, biological shore erosion control structures, seawalls, piers, wharves, boat shelters, boat hoists, boat lifts and swim rafts in navigable waters and the effective date for the issuance of individual permits for activities in navigable waters. The committee will introduce bills reflecting their June 24, 2004 suspensions of NR 326,328, and 310.

Emergency Rule NR 1.1016, 1.05, 1.06, and 1.07

Relating to Natural Resources Board policies on protection and management of public waters.

The Joint Committee for Review of Administrative Rules, passed a motion on June 24, 2004 to suspend emergency rule ch. NR 1 with the suspension to take effect on July 24, 2004.

Senator Joseph Leibham

Senate Co-Chair

Representative Glenn Grothman

Assembly Co-Chair

ATCP 99.13, 99.25, 100.13, and 101.25

**Relating to Agricultural Producer Security - Assessment Credits.** 

The Department of Agriculture, Trade and Consumer Protection requests an extension of the effective period of their emergency rule by 36 days. Second Consideration.



#### State of Wisconsin Jim Doyle, Governor

#### Department of Agriculture, Trade and Consumer Protection

Rod Nilsestuen, Secretary

July 19, 2004

The Honorable Joseph Leibham, Co-Chair The Honorable Glenn Grothman, Co-Chair Joint Committee for the Review of Administrative Rules 409 South State Capitol Madison, WI 53702

Joint Committee for the Review of Administrative Rules 15 North State Capitol Madison, WI 53702

Dear Senator Leibham and Representative Grothman:

Emergency Rule Extension - Agricultural Producer Security - Assessment Re: Credits

The Department of Agriculture, Trade and Consumer Protection asks the Joint Committee for the Review of Administrative Rules (JCRAR) to extend the above emergency rule. The rule was originally scheduled to expire on June 27, 2004. At the department's request, JCRAR has already extended the rule for 60 days, to August 26, 2004. The department now asks JCRAR to extend the emergency rule for a second 60 days, until October 25, 2004.

This emergency rule modifies the producer security fund assessments required under ch. 126, stats., for certain grain dealers, grain warehouse keepers, milk contractors and vegetable contractors.

We are enclosing copies of the emergency rule, fiscal estimate and hearing notice. emergency rule includes a Finding of Emergency that explains the need for this rule. The department has started "permanent" rulemaking proceedings, but will not be able to complete those proceedings before the emergency rule expires. The department is therefore asking JCRAR to extend the emergency rule.

The department held public hearings on the emergency rule and nearly identical permanent rule on April 26 and 27, 2004. The DATCP Board has approved the final draft of the permanent rule and the rule has been submitted to the Legislature for review. We expect that the permanent rule will go into effect on either September 1 or October 1.

The department will have staff available to answer questions at the JCRAR meeting on this matter.

Sincerely,

Rodney J. Nilsestuen,

Secretary

Enclosures

## EMERGENCY ORDER OF THE STATE OF WISCONSIN DEPARTMENT OF AGRICULTURE, TRADE AND CONSUMER PROTECTION ADOPTING RULES

- 1 The state of Wisconsin department of agriculture, trade and consumer protection hereby
- adopts the following emergency rule to create ss. ATCP 99.13, 99.25, 100.13 and 101.25,
- 3 relating to the partial refund of certain agricultural producer security assessments
- 4 required of grain dealers, grain warehouse keepers, milk contractors and vegetable
- 5 contractors.

### Analysis Prepared by the Department of Agriculture, Trade and Consumer Protection

Statutory Authority:

ss. 126.15(1)(intro.), 126.30(1)(intro.),

126.46(1)(intro.), 126.60(1)(intro.), 126.81 and

126.88(intro.), Stats.

Statutes Interpreted:

ch. 126, Stats.

This emergency rule authorizes a partial refund of certain agricultural producer security assessments required of grain dealers, grain warehouse keepers, milk contractors and vegetable contractors (collectively referred to as "contractors") under ch. 126, Stats.

This rule authorizes a partial refund of an annual assessment that is drastically inflated by a temporary change in financial condition caused by a merger or acquisition. This rule defines the specific circumstances under which the refund is authorized. This rule does not authorize a refund if the change in the contractor's financial condition lasts more than one fiscal year.

#### Background

The Wisconsin department of agriculture, trade and consumer protection ("DATCP") currently administers an agricultural producer security program under ch. 126, Stats. ("producer security law"). This program is designed to protect agricultural producers from catastrophic financial defaults by contractors who procure agricultural commodities from producers.

Under the producer security law, contractors pay annual assessments to an agricultural producer security fund ("the fund"). If a contractor defaults in payments to producers, DATCP may compensate producers from the fund. A contractor's annual fund assessment is based on the contractor's size, financial condition and risk practices.

Financial condition is determined on the basis of an annual financial statement filed by the contractor. Other things being equal, contractors with weaker financial statements pay higher annual fund assessments. Fund assessments are calculated according to a formula spelled out in the producer security law. However, DATCP may modify fund assessments by rule.

In some cases, a merger or acquisition may temporarily affect a contractor's financial statement. This temporary change may in some cases cause a disproportionate increase in annual fund assessments (based on the current statutory assessment formula). In such cases, this rule authorizes DATCP to refund part of a contractor's assessment if certain conditions apply. The refund is paid as a credit against the next year's assessment.

#### **Rule Contents**

# Partial Refund of Assessment

Under this rule, DATCP may refund part of an annual fund assessment paid by a contributing contractor if all of the following apply:

- The contractor paid the full amount of the assessment including any late penalties.
- The contractor is the surviving entity in a merger under ss. 179.77, 180.1101, 183.1201, or 185.61, Stats., or has acquired property pursuant to a sale of assets under s. 180.1202, Stats.
- The assessment was based on the contractor's financial statement for the fiscal year in which the merger or acquisition took effect.
- The contractor's financial statement, for the fiscal year in which the merger or acquisition took effect, caused the sum of the contractor's current ratio assessment rate and debt to equity assessment rate (both calculated according to current statutory formulas) to increase by at least 100% compared to the preceding license year.
- The contractor's annual financial statements, for the fiscal years immediately preceding and immediately following the fiscal year in which the merger or acquisition took effect, show positive equity, a current ratio of at least 1.25 to 1.00 and a debt to equity ratio of no more than 3.0 to 1.0.

- In the license year immediately following the license year for which the contractor paid the assessment, the sum of the contractor's current ratio assessment rate and debt to equity assessment rate (both calculated according to current statutory formulas) declines by at least 50% compared to the license year for which the contractor paid the assessment.
- The contractor requests the refund in writing, by the first day of the next license year.

#### Refund Amount

The amount of the refund under this rule will equal 75% of the difference between the
assessment amount paid by the contractor and the assessment amount required of the
contractor in the next license year.

## Refund Paid as Credit Against Next Year's Assessment

Whenever DATCP pays a refund under this rule, DATCP must pay the refund as a credit against the contractor's assessment for the next license year. DATCP must apportion the credit, pro rata, against the quarterly assessment installments required of the contractor in that next license year. If the credit exceeds the total assessment required of the contractor in that next license year, DATCP must credit the balance in the same fashion against assessments required of the contractor in subsequent license years.

DATCP may not pay refunds except as credits against future assessments (there is no cash refund). DATCP may not pay a refund (grant a credit) to any person other than the contractor who paid the original assessment on which the refund is given.

#### FINDING OF EMERGENCY

- (1) The Wisconsin department of agriculture, trade and consumer protection currently administers an agricultural producer security program under ch. 126, Stats.

  ("producer security law"). This program is designed to protect agricultural producers from catastrophic financial defaults by contractors who procure agricultural commodities from producers.
- (2) Under the producer security law, contractors pay annual assessments to an agricultural producer security fund ("the fund"). If a contractor defaults in payments to producers, the department may compensate producers from the fund. A contractor's

annual fund assessment is based, in large part, on the contractor's annual financial statement. The producer security law spells out a formula for calculating assessments. However, the department may modify assessments by rule.

- (3) The fund assessment formula is designed to require higher assessments of contractors who have weak financial statements (and may thus present greater default risks). But the statutory formula may generate unexpectedly high assessments in some cases, where a contractor's strong financial condition is *temporarily* affected by financial transactions related to a merger or acquisition. This may cause unfair hardship, and may unfairly penalize some mergers or acquisitions that actually strengthen security for agricultural producers. This may have an unnecessarily adverse impact on contractors, producers and Wisconsin economic development.
- (4) The department may adjust assessments by rule, in order to ameliorate unintended results. But the normal rulemaking process will require at least a year to complete. The following temporary emergency rule is needed to address this matter in the short term, and to provide relief for contractors already affected.

# **EMERGENCY RULE**

- SECTION 1. ATCP 99.13 is created to read:
- 2 ATCP 99.13 Fund assessment temporarily affected by merger or
- acquisition; partial refund. (1) PARTIAL REFUND OF ASSESSMENT. The department
- 4 may refund part of an annual fund assessment paid by a contributing grain dealer under
- 5 s. 126.15, Stats., if all of the following apply:
- 6 (a) The grain dealer paid the full amount of the assessment including any late
- 7 payment penalties under s. 126.15(7)(d), Stats.

- (b) The grain dealer is the surviving entity in a merger under ss. 179.77,
- 2 180.1101, 183.1201, or 185.61, Stats., or has acquired property pursuant to a sale of
- 3 assets under s. 180.1202, Stats.
- (c) The assessment was based on the grain dealer's financial statement for the fiscal year in which the merger or acquisition under par. (b) took effect.
- 6 (d) The grain dealer's financial statement, for the fiscal year in which the merger
- 7 or acquisition under par. (b) took effect, caused the sum of the grain dealer's current ratio
- 8 assessment rate under s. 126.15(2), Stats., and debt to equity assessment rate under s.
- 9 126.15(4), Stats., to increase by at least 100% compared to the preceding license year.
- 10 (e) The grain dealer's annual financial statements, for the fiscal years
- immediately preceding and immediately following the fiscal year in which the merger or
- acquisition under par. (b) took effect, show positive equity, a current ratio of at least 1.25
- to 1.00 and a debt to equity ratio of no more than 3.0 to 1.0.
- 14 (f) In the license year immediately following the license year for which the grain
- dealer paid the assessment, the sum of the grain dealer's current ratio assessment rate
- under s. 126.15(2), Stats., and debt to equity assessment rate under s. 126.15(4), Stats.,
- declines by at least 50% compared to the license year for which the grain dealer paid the
- 18 assessment.
- 19 (g) The grain dealer requests the refund in writing, by September 1<sup>st</sup> of the grain
- 20 dealer's next license year.
- 21 (2) REFUND AMOUNT. The amount of the refund under sub. (1) shall equal 75%
- of the difference between the assessment amount paid by the grain dealer and the
- 23 assessment amount required of the grain dealer in the next license year.

,	(3) REFUND PAID AS CREDIT AGAINST NEXT YEAR'S ASSESSMENT. (a) The
2	department shall pay the refund under sub. (1) as a credit against the grain dealer's
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7	balance in the same fashion against assessments required of the grain dealer in
8	subsequent license years.
9	(b) The department may not pay any refund under sub. (1), except in the manner
10	prescribed in par. (a). The department may not pay the refund to any person other than
11	the grain dealer who paid the original assessment on which the refund is given.
12	SECTION 2. ATCP 99.25 is created to read:
13	ATCP 99.25 Fund assessment temporarily affected by merger or
14	acquisition; partial refund. (1) PARTIAL REFUND OF ASSESSMENT. The department
15	may refund part of an annual fund assessment paid by a contributing grain warehouse
16	keeper under s. 126.30, Stats., if all of the following apply:
17	(a) The grain warehouse keeper paid the full amount of the assessment including
18	any late payment penalties under s. 126.30(6)(d), Stats.
19	(b) The grain warehouse keeper is the surviving entity in a merger under ss.
20	179.77, 180.1101, 183.1201, or 185.61, Stats., or has acquired property pursuant to a sale
21	of assets under s. 180.1202, Stats.
22	(c) The assessment was based on the grain warehouse keeper's financial

statement for the fiscal year in which the merger or acquisition under par. (b) took effect.

1	(d)	The grain warehouse keeper's financial statement, for the fiscal year in	n which

- 2 the merger or acquisition under par. (b) took effect, caused the sum of the grain
- warehouse keeper's current ratio assessment rate under s. 126.30(2), Stats., and debt to
- equity assessment rate under s. 126.30(4), Stats., to increase by at least 100% compared
- 5 to the preceding license year.
- 6 (e) The grain warehouse keeper's annual financial statements, for the fiscal years
  7 immediately preceding and immediately following the fiscal year in which the merger or
- 8 acquisition under par. (b) took effect, show positive equity, a current ratio of at least 1.25
- 9 to 1.00 and a debt to equity ratio of no more than 3.0 to 1.0.
- 10 (f) In the license year immediately following the license year for which the grain
  11 warehouse keeper paid the assessment, the sum of the grain warehouse keeper's current
  12 ratio assessment rate under s. 126.30(2), Stats., and debt to equity assessment rate under
  13 s. 126.30(4), Stats., declines by at least 50% compared to the license year for which the
- grain warehouse keeper paid the assessment.

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- (g) The grain warehouse keeper requests the refund in writing, by September 1<sup>st</sup> of the grain warehouse keeper's next license year.
- (2) REFUND AMOUNT. The amount of the refund under sub. (1) shall equal 75% of the difference between the assessment amount paid by the grain warehouse keeper and the assessment amount required of the grain warehouse keeper in the next license year.
- (3) REFUND PAID AS CREDIT AGAINST NEXT YEAR'S ASSESSMENT. (a) The department shall pay the refund under sub. (1) as a credit against the grain warehouse keeper's assessment for the next license year. The department shall apportion the credit, pro rata, against the quarterly assessment installments required of the grain warehouse

- keeper under s. 126.30(6), Stats., in that next license year. If the credit exceeds the total
- 2 assessment required of the grain warehouse keeper in that next license year, the
- 3 department shall credit the balance in the same fashion against assessments required of
- 4 the grain warehouse keeper in subsequent license years.
- 5 (b) The department may not pay any refund under sub. (1), except in the manner
- 6 prescribed in par. (a). The department may not pay the refund to any person other than
- 7 the grain warehouse keeper who paid the original assessment on which the refund is
- 8 given.
- 9 SECTION 3. ATCP 100.13 is created to read:
- ATCP 100.13 Fund assessment temporarily affected by merger or
- 11 acquisition; partial refund. (1) PARTIAL REFUND OF ASSESSMENT. The department
- may refund part of an annual fund assessment paid by a contributing milk contractor
- under s. 126.46, Stats., if all of the following apply:
- 14 (a) The milk contractor paid the full amount of the assessment including any late
- payment penalties under s. 126.46(6)(e).
- (b) The milk contractor is the surviving entity in a merger under ss. 179.77,
- 17 180.1101, 183.1201, 0r 185.61, Stats., or has acquired property pursuant to a sale of
- 18 assets under s. 180.1202, Stats.
- (c) The assessment was based on the milk contractor's financial statement for the
- fiscal year in which the merger or acquisition under par. (b) took effect.
- 21 (d) The milk contractor's financial statement, for the fiscal year in which the
- merger or acquisition under par. (b) took effect, caused the sum of the milk contractor's
- current ratio assessment rate under s. 126.46(2), Stats., and debt to equity assessment rate

- under s. 126.46(4), Stats., to increase by at least 100% compared to the preceding license year.
- 3 (e) The milk contractor's annual financial statements, for the fiscal years
- 4 immediately preceding and immediately following the fiscal year in which the merger or
- 5 acquisition under par. (b) took effect, show positive equity, a current ratio of at least 1.25
- 6 to 1.00 and a debt to equity ratio of no more than 3.0 to 1.0.
- 7 (f) In the license year immediately following the license year for which the milk
- 8 contractor paid the assessment, the sum of the milk contractor's current ratio assessment
- 9 rate under s. 126.46(2), Stats., and debt to equity assessment rate under s. 126.46(4),
- 10 Stats., declines by at least 50% compared to the license year for which the milk
- 11 contractor paid the assessment.
- 12 (g) The milk contractor requests the refund in writing, by May 1<sup>st</sup> of the milk 13 contractor's next license year.
- 14 (2) REFUND AMOUNT. The amount of the refund under sub. (1) shall equal 75%
  15 of the difference between the assessment amount paid by the milk contractor and the
  16 assessment amount required of the milk contractor in the next license year.
- (3) REFUND PAID AS CREDIT AGAINST NEXT YEAR'S ASSESSMENT. (a) The
  department shall pay the refund under sub. (1) as a credit against the milk contractor's
  assessment for the next license year. The department shall apportion the credit, pro rata,
  against the quarterly assessment installments required of the milk contractor under s.
- 21 126.46(6), Stats., in that next license year. If the credit exceeds the total assessment
- 22 required of the grain dealer in that next license year, the department shall credit the

- balance in the same fashion against assessments required of the milk contractor in
- 2 subsequent license years.
- 3 (b) The department may not pay any refund under sub. (1), except in the manner
- 4 prescribed in par. (a). The department may not pay the refund to any person other than
- 5 the milk contractor who paid the original assessment on which the refund is given.
- 6 SECTION 4. ATCP 101.25 is created to read:
- 7 ATCP 101.25 Fund assessment temporarily affected by merger or
- acquisition; partial refund. (1) PARTIAL REFUND OF ASSESSMENT. The department
- 9 may refund part of an annual fund assessment paid by a contributing vegetable contractor
- under s. 126.60, Stats., if all of the following apply:
- 11 (a) The contractor paid the full amount of the assessment including any late
- payment penalties under s. 126.60(6)(d), Stats.
- (b) The contractor is the surviving entity in a merger under ss. 179.77, 180.1101,
- 183.1201, or 185.61, Stats., or has acquired property pursuant to a sale of assets under s.
- 15 180.1202, Stats.
- 16 (c) The assessment was based on the contractor's financial statement for the fiscal

  17 year in which the merger or acquisition at the contractor's financial statement for the fiscal
- 17 year in which the merger or acquisition under par. (b) took effect.
- (d) The contractor's financial statement, for the fiscal year in which the merger or
- 19 acquisition under par. (b) took effect, caused the sum of the contractor's current ratio
- assessment rate under s. 126.60(2), Stats., and debt to equity assessment rate under s.
- 21 126.60(4), Stats., to increase by at least 100% compared to the preceding license year.
- 22 (e) The contractor's annual financial statements, for the fiscal years immediately
- 23 preceding and immediately following the fiscal year in which the merger or acquisition

- under par. (b) took effect, show positive equity, a current ratio of at least 1.25 to 1.00 and
- a debt to equity ratio of no more than 3.0 to 1.0.
- 3 (f) In the license year immediately following the license year for which the
- 4 contractor paid the assessment, the sum of the contractor's current ratio assessment rate
- 5 under s. 126.60(2), Stats., and debt to equity assessment rate under s. 126.60(4), Stats.,
- 6 declines by at least 50% compared to the license year for which the contractor paid the
- 7 assessment.

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years.

- (g) The contractor requests the refund in writing, by February 1<sup>st</sup> of the
   contractor's next license year.
- 10 (2) REFUND AMOUNT. The amount of the refund under sub. (1) shall equal 75%
  11 of the difference between the assessment amount paid by the contractor and the
  12 assessment amount required of the contractor in the next license year.
  - (3) REFUND PAID AS CREDIT AGAINST NEXT YEAR'S ASSESSMENT. (a) The department shall pay the refund under sub. (1) as a credit against the contractor's assessment for the next license year. The department shall apportion the credit, pro rata, against the quarterly assessment installments required of the contractor under s.

    126.60(6), Stats., in that next license year. If the credit exceeds the total assessment required of the contractor in that next license year, the department shall credit the balance

in the same fashion against assessments required of the contractor in subsequent license

21 (b) The department may not pay any refund under sub. (1), except in the manner 22 prescribed in par. (a). The department may not pay the refund to any person other than 23 the contractor who paid the original assessment on which the refund is given.

- 1 EFFECTIVE DATE: This emergency rule takes effect upon publication, and
- 2 remains in effect for 150 days. The department may seek to extend this emergency rule
- as provided in s. 227.24, Stats.

Dated this \_\_\_\_\_ day of January, 2004.

STATE OF WISCONSIN DEPARTMENT OF AGRICULTURE, TRADE AND CONSUMER PROTECTION

Rodney J. Nilsestien, Secretary

# State of Wisconsin Department of Agriculture, Trade and Consumer Protection

#### NOTICE OF HEARING

# **Agricultural Producer Security Rules**

The Wisconsin Department of Agriculture, Trade and Consumer Protection announces that it will hold public hearings on a proposed permanent rule and two emergency rules relating to the agricultural producer security program under ch. 126, Stats. These rules modify chs. ATCP 99, 100 and 101, Wis. Adm. Code.

The department will hold two hearings at the time and places shown below. The department invites public comments on these rules. The department also seeks comments on other issues related to the producer security program, including possible overlap between the Wisconsin producer security program and the federal Perishable Agricultural Commodities Act (vegetables).

Following the public hearing, the hearing record will remain open until May 14, 2004, for additional written comments. You may obtain a free copy of these rules by contacting the Wisconsin Department of Agriculture, Trade and Consumer Protection, Bureau of Trade Practices, 2811 Agriculture Drive, P.O. Box 8911, Madison WI 53708, or by calling (608) 224-4928. Copies will also be available at the hearings.

Hearing impaired persons may request an interpreter for these hearing. Please make reservations for a hearing interpreter by April 19, 2004, by writing to Kevin LeRoy, Division of Trade and Consumer Protection, P.O. Box 8911, Madison, WI 53708-8911, telephone (608) 224-4928. Alternatively, you may contact the Department TDD at (608) 224-5058. Handicap access is available at the hearings.

Hearings are scheduled as follows:

Monday, April 26, 2004, 1:30 p.m. until 4:00 p.m.
Wisconsin Department of Agriculture, Trade and Consumer Protection
Board Room
2811 Agriculture Drive
Madison, WI 53718
Handicapped accessible

Tuesday, April 27, 2004, 10:00 a.m. until 12:30 p.m. Marathon County Public Library 300 N. First Street Wausau, WI 54403 Handicapped accessible

## PROPOSED RULE

# Analysis Prepared by the Department of Agriculture, <u>Trade and Consumer Protection</u>

Statutory Authority:

ss. 126.15(1)(intro.), 126.30(1)(intro.),

126.46(1)(intro.), 126.60(1)(intro.), 126.81 and

126.88(intro.), Stats.

Statutes Interpreted:

ch. 126, Stats.

The Wisconsin department of agriculture, trade and consumer protection ("DATCP") currently administers an agricultural producer security program under ch. 126, Stats. ("producer security law"). This program is designed to protect agricultural producers from catastrophic financial defaults by grain dealers, grain warehouse keepers, milk contractors and vegetable contractors ("contractors") who procure agricultural commodities from producers. Among other things, the law requires most contractors to pay assessments to an agricultural producer security fund.

DATCP may adopt rules to implement the program (see statutory authority above). Among other things, DATCP may revise contractor assessment rates, require contractor disclosures to producers, and interpret other requirements under the producer security law. This rule does all of the following:

- Authorizes a partial refund of certain agricultural producer security assessments required of grain dealers, grain warehouse keepers, milk contractors and vegetable contractors (collectively referred to as "contractors") under ch. 126, Stats. This rule authorizes a partial refund of an annual assessment that is drastically inflated by a temporary change in financial condition caused by a merger or acquisition. This rule defines the specific circumstances under which the refund is authorized. This rule does not authorize a refund if the change in the contractor's financial condition lasts more than one fiscal year.
- Updates the disclosures that contractors must give agricultural producers under current rules. The updates are needed to accommodate recent law changes under 2003 Wis. Act 38.
- Clarifies that grain dealers and warehouse keepers may provide grain purchase and deposit receipts (required by current law) in electronic form, provided that the recipient can retrieve, store and print the receipt for future reference.

### Assessment Refunds

#### Background

Under the producer security law, contractors pay annual assessments to an agricultural producer security fund ("the fund"). If a contractor defaults in payments to producers, DATCP may compensate producers from the fund. A contractor's annual fund assessment is based on the contractor's size, financial condition and risk practices. DATCP may modify fund assessments by rule.

Financial condition is determined on the basis of an annual financial statement filed by the contractor. Other things being equal, contractors with weaker financial statements pay higher annual fund assessments. Fund assessments are calculated according to a formula spelled out in the producer security law. However, DATCP may modify fund assessments by rule.

#### Refunds Authorized

In some cases, a merger or acquisition may temporarily affect a contractor's financial statement. This temporary change may in some cases cause a disproportionate increase in annual fund assessments (based on the current statutory assessment formula). In such cases, this rule authorizes DATCP to refund part of a contractor's assessment if certain conditions apply. The refund is paid as a credit against the next year's assessment.

Under this rule, DATCP may refund part of an annual fund assessment paid by a contributing contractor if all of the following apply:

- The contractor paid the full amount of the assessment, including any late penalties that may apply.
- The contractor is the surviving entity in a merger under s. 179.77, 180.1101, 183.1201 or 185.61, Stats., or has acquired property pursuant to a sale of assets under s. 180.1202, Stats.
- The assessment was based on the contractor's financial statement for the fiscal year in which the merger or acquisition took effect.
- The contractor's financial statement, for the fiscal year in which the merger or acquisition took effect, caused the sum of the contractor's current ratio assessment rate and debt to equity assessment rate (both calculated according to current statutory formulas) to increase by at least 100% compared to the preceding license year.
- The contractor's annual financial statements, for the fiscal years immediately preceding and immediately following the fiscal year in which the merger or acquisition took effect, show positive equity, a current ratio of at least 1.25 to 1.00 and a debt to equity ratio of no more than 3.0 to 1.0.